

LASSEN COUNTY ECONOMIC FORECAST

Lassen County is one of the northernmost counties in California. It is approximately the same size as the state of Connecticut. The county's name was derived from Mount Lassen, which is actually in neighboring Shasta County. Lassen County has a population of 35,482 people and 10,627 wage and salary jobs. The per capita income in Lassen County is \$24,612, and the average salary per worker is \$44,677

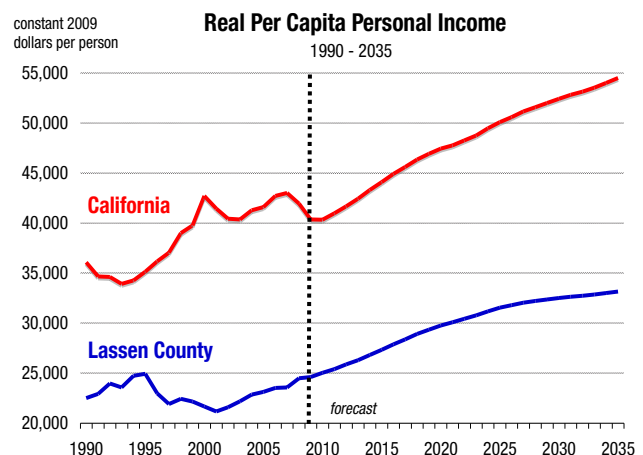
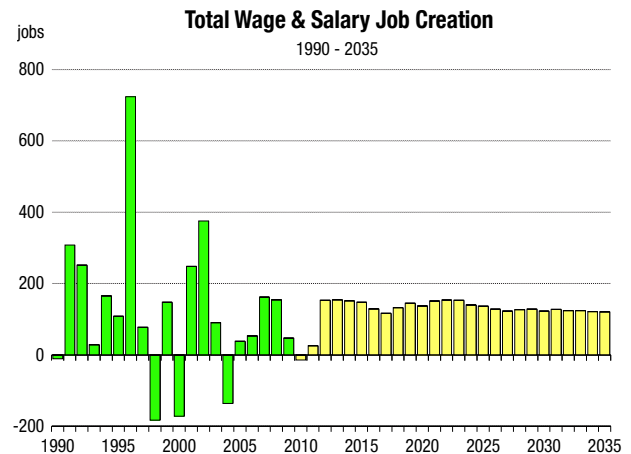
In 2009, wage and salary employment grew by 47 jobs in Lassen County, an increase of 0.4 percent. Almost all of this gain came in the non-farm sector, as farm employment makes up less than 5 percent of the total. The unemployment rate increased to 13.3 percent in 2009.

The public sector had the only significant employment gains in 2009, adding 96 jobs. No other sector created more than 10 jobs. Employment declined by 27 workers in the retail trade sector and 25 workers in the construction sector. The largest employment sectors in the county are public institutions. Nearly 62 percent of all jobs in the county are in the public sector. The penitentiaries and correctional institutions in Susanville are the largest employers in the county. They employ nearly 2,800 people, and detain more than 10,500 inmates.

The population declined in Lassen County at a rate of 0.8 percent in 2009. The population of Susanville, the only incorporated city in the county, declined by 1.3 percent between January 2008 and January 2009. Migration was significantly negative last year with an estimated 393 net migrants leaving the county.

FORECAST HIGHLIGHTS

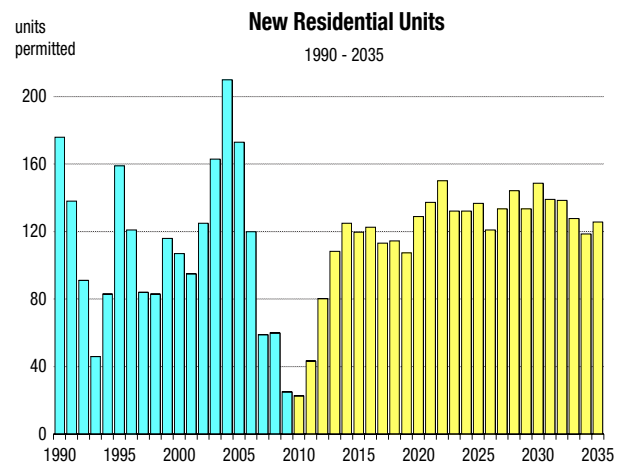
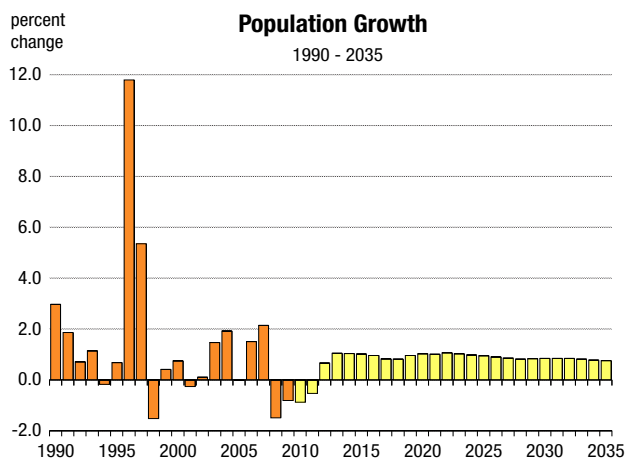
- Total wage and salary job growth is forecast to be very near zero in 2010, with an estimated loss of 0.1 percent. From 2010 to 2015 job growth is expected to average 1.2 percent per year.
- Average salaries adjusted for inflation are currently below the California state average and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.8 percent per year over the 2010 to 2015 period.
- Between 2010 and 2015, the principle job creation occurs in the public sector, which accounts for 60 percent of expected job growth. The leisure services, healthcare and education, and construction sectors account for an additional 30 percent of net job creation during this time.
- Population growth is expected to be -0.9 percent in 2010. Annual growth in the 2010 to 2015 period averages 0.7 percent per year.
- Net migration is forecast at approximately 410 persons leaving the county in 2010. Over the next five years migration is expected to average 112 net in-migrants per year.
- Real per capita income is forecast to increase 1.7 percent in 2010. From 2010 to 2015 real per capita incomes are expected to increase an average of 1.8 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to decline 4.3 percent in 2010. Over the next five years real taxable sales are forecast to increase by an average of 2.3 percent per year.
- Industrial production is forecast to decline by 2.4 percent in 2010. Between 2010 and 2015 growth rate of industrial production will average 1.3 percent per year.



Lassen County Economic Forecast

2002-2009 History, 2010-2035 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2002	33,860	-12	33.7	9.8	125	\$247.8	\$0.63	\$21,596	1.6	53.3	102.5	7.7
2003	34,359	361	34.1	9.9	163	\$302.2	\$0.67	\$22,184	1.8	62.6	100.2	7.7
2004	35,022	603	36.4	10.1	210	\$257.1	\$0.71	\$22,844	1.2	68.9	97.0	7.6
2005	35,016	-65	36.9	10.2	173	\$280.7	\$0.73	\$23,117	2.0	74.9	100.8	8.1
2006	35,544	449	37.7	10.4	120	\$286.5	\$0.78	\$23,509	3.2	78.5	111.0	7.9
2007	36,307	712	37.9	10.5	59	\$279.9	\$0.82	\$23,567	3.4	68.1	93.7	8.2
2008	35,769	-653	37.6	10.5	60	\$260.1	\$0.87	\$24,477	3.0	92.2	100.3	9.5
2009	35,482	-393	37.4	10.6	25	\$251.8	\$0.87	\$24,612	0.8	89.6	95.7	13.3
2010	35,172	-413	37.5	10.6	23	\$246.1	\$0.90	\$25,022	2.1	90.3	93.4	13.8
2011	34,988	-291	37.6	10.7	43	\$249.4	\$0.93	\$25,408	2.4	91.0	91.4	12.6
2012	35,223	112	38.2	10.7	80	\$259.2	\$0.97	\$25,860	2.1	91.4	92.6	11.0
2013	35,593	244	38.7	10.8	108	\$273.0	\$1.02	\$26,294	2.2	91.7	93.9	10.2
2014	35,966	247	39.3	10.8	125	\$289.2	\$1.07	\$26,810	2.2	91.9	95.9	9.3
2015	36,331	248	39.8	10.9	120	\$307.2	\$1.13	\$27,339	2.2	91.8	99.7	8.8
2016	36,681	239	40.3	11.0	123	\$326.2	\$1.19	\$27,881	2.2	92.2	103.4	8.5
2017	36,984	191	40.7	11.0	113	\$345.3	\$1.25	\$28,371	2.2	92.4	107.6	8.4
2018	37,286	195	41.1	11.1	114	\$363.5	\$1.31	\$28,905	2.2	92.7	111.6	8.2
2019	37,647	250	41.7	11.2	107	\$382.8	\$1.37	\$29,350	2.2	93.1	115.8	8.0
2020	38,035	268	42.1	11.3	129	\$403.0	\$1.43	\$29,747	2.1	92.9	122.5	8.0
2021	38,419	272	42.7	11.4	137	\$424.1	\$1.50	\$30,081	2.5	92.6	126.9	7.9
2022	38,832	305	43.2	11.4	150	\$444.8	\$1.58	\$30,432	2.6	93.1	131.1	7.8
2023	39,232	320	43.8	11.5	132	\$465.2	\$1.65	\$30,774	2.5	93.5	135.4	7.7
2024	39,617	323	44.3	11.6	132	\$486.7	\$1.73	\$31,176	2.4	93.9	140.0	7.6
2025	39,996	314	44.8	11.7	137	\$510.4	\$1.81	\$31,543	2.5	94.3	144.9	7.4
2026	40,361	302	45.2	11.8	121	\$534.6	\$1.89	\$31,801	2.5	94.5	149.9	7.4
2027	40,708	293	45.7	11.9	134	\$559.5	\$1.97	\$32,041	2.6	94.6	155.2	7.4
2028	41,044	294	46.1	12.0	144	\$585.9	\$2.05	\$32,224	2.8	94.8	160.6	7.3
2029	41,389	307	46.6	12.1	133	\$613.3	\$2.14	\$32,371	2.7	95.0	166.2	7.2
2030	41,741	313	47.0	12.2	149	\$641.2	\$2.22	\$32,509	2.7	94.8	172.1	7.1
2031	42,095	317	47.5	12.3	139	\$670.2	\$2.31	\$32,633	2.7	94.5	178.2	7.0
2032	42,451	317	47.9	12.4	138	\$700.4	\$2.40	\$32,729	2.7	95.1	184.5	7.1
2033	42,799	308	48.4	12.5	128	\$732.0	\$2.49	\$32,855	2.7	95.7	190.9	7.1
2034	43,135	295	48.8	12.6	119	\$764.9	\$2.59	\$32,998	2.7	96.1	197.5	7.2
2035	43,462	286	49.2	12.7	126	\$799.4	\$2.69	\$33,158	2.7	96.2	204.2	7.2



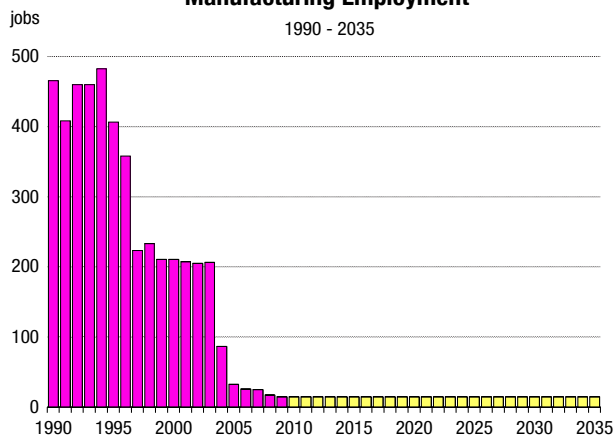
Lassen County Employment Forecast

2002-2009 History, 2010-2035 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2002	10.2	0.31	0.35	0.21	0.18	1.12	0.15	0.19	0.14	0.89	0.78	5.55
2003	10.3	0.35	0.31	0.21	0.19	1.12	0.16	0.20	0.12	0.92	0.79	5.65
2004	10.2	0.44	0.30	0.09	0.19	1.06	0.15	0.19	0.10	0.90	0.75	5.70
2005	10.2	0.40	0.29	0.03	0.17	1.05	0.15	0.19	0.11	0.88	0.71	5.93
2006	10.3	0.40	0.29	0.03	0.16	1.00	0.17	0.19	0.12	0.87	0.74	6.02
2007	10.4	0.41	0.23	0.03	0.15	1.06	0.17	0.18	0.13	0.86	0.71	6.22
2008	10.6	0.43	0.17	0.02	0.15	1.05	0.18	0.17	0.13	0.89	0.62	6.49
2009	10.6	0.43	0.14	0.02	0.15	1.02	0.18	0.17	0.12	0.89	0.61	6.58
2010	10.6	0.43	0.12	0.02	0.15	1.02	0.18	0.17	0.13	0.90	0.62	6.57
2011	10.6	0.43	0.12	0.02	0.16	1.02	0.17	0.17	0.13	0.91	0.63	6.57
2012	10.8	0.43	0.13	0.02	0.16	1.03	0.17	0.16	0.13	0.92	0.64	6.67
2013	10.9	0.43	0.15	0.02	0.16	1.04	0.17	0.16	0.13	0.94	0.65	6.77
2014	11.1	0.43	0.17	0.02	0.17	1.04	0.17	0.16	0.13	0.95	0.66	6.86
2015	11.2	0.43	0.19	0.02	0.17	1.05	0.17	0.16	0.13	0.97	0.67	6.95
2016	11.4	0.43	0.20	0.02	0.18	1.06	0.17	0.16	0.14	0.98	0.68	7.02
2017	11.5	0.44	0.20	0.02	0.19	1.06	0.17	0.16	0.14	1.00	0.69	7.10
2018	11.6	0.44	0.20	0.02	0.19	1.07	0.17	0.16	0.14	1.02	0.70	7.19
2019	11.8	0.44	0.20	0.02	0.20	1.07	0.17	0.16	0.14	1.04	0.71	7.29
2020	11.9	0.44	0.20	0.02	0.21	1.07	0.17	0.16	0.14	1.06	0.71	7.38
2021	12.1	0.44	0.20	0.02	0.21	1.08	0.17	0.16	0.14	1.09	0.72	7.48
2022	12.2	0.44	0.21	0.02	0.22	1.09	0.17	0.16	0.14	1.11	0.73	7.57
2023	12.4	0.44	0.22	0.02	0.23	1.09	0.17	0.16	0.14	1.14	0.74	7.66
2024	12.5	0.44	0.22	0.02	0.24	1.10	0.17	0.16	0.14	1.17	0.75	7.75
2025	12.6	0.44	0.22	0.02	0.24	1.11	0.17	0.16	0.14	1.19	0.76	7.84
2026	12.8	0.44	0.22	0.02	0.25	1.11	0.17	0.16	0.14	1.21	0.76	7.92
2027	12.9	0.44	0.21	0.02	0.26	1.12	0.17	0.16	0.14	1.23	0.77	8.01
2028	13.0	0.44	0.22	0.02	0.26	1.13	0.17	0.16	0.14	1.25	0.78	8.09
2029	13.1	0.44	0.22	0.02	0.27	1.13	0.17	0.16	0.14	1.26	0.78	8.17
2030	13.3	0.44	0.22	0.02	0.28	1.14	0.17	0.16	0.14	1.28	0.79	8.26
2031	13.4	0.44	0.22	0.02	0.29	1.14	0.17	0.16	0.14	1.30	0.80	8.34
2032	13.5	0.44	0.22	0.02	0.29	1.15	0.17	0.16	0.14	1.31	0.80	8.43
2033	13.6	0.44	0.22	0.02	0.30	1.16	0.17	0.16	0.14	1.33	0.81	8.51
2034	13.8	0.44	0.22	0.02	0.31	1.16	0.17	0.16	0.14	1.34	0.82	8.60
2035	13.9	0.44	0.21	0.02	0.31	1.17	0.17	0.16	0.14	1.36	0.82	8.69

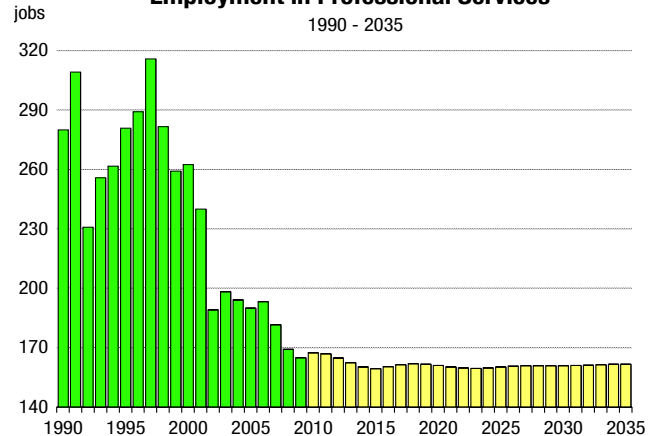
Manufacturing Employment

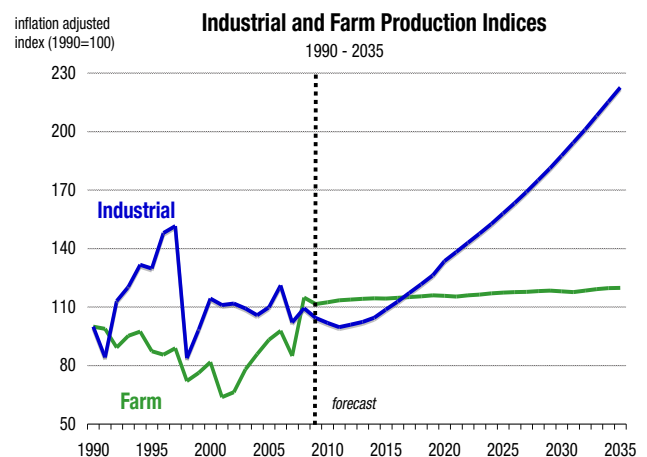
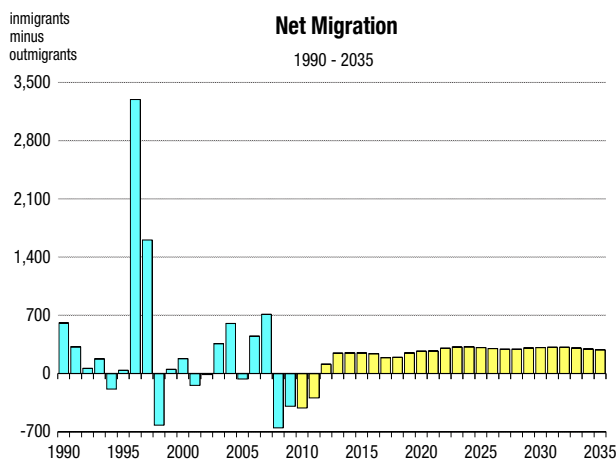
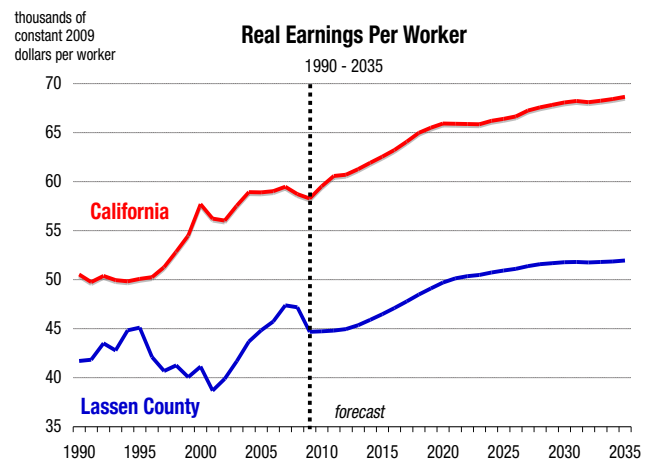
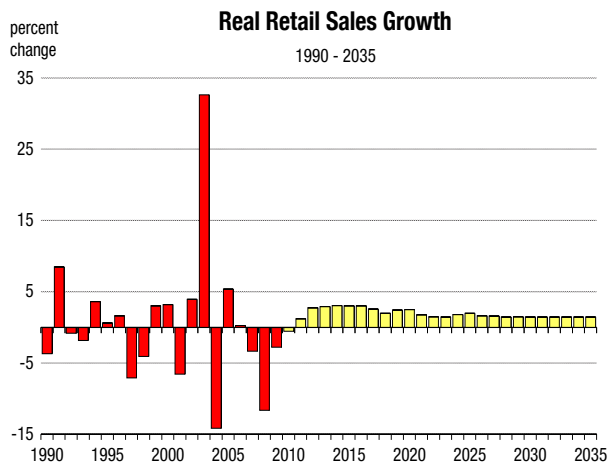
1990 - 2035



Employment in Professional Services

1990 - 2035





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	13.7%
Expected job growth:	6.0%
Fastest growing jobs sector:	Construction
Expected personal income growth:	12.9%

Expected population growth:	3.3%
Net migration to account for:	48.3%
Expected growth in number of vehicles:	6.0%

Demographics (2009)

Unemployment rate (December)	14.5%
County Rank* in California (58 counties):	34th
Working age (16-64) population:	73.9%

Population with B.A. Degree or higher:	10.5%
Median Home Selling Price:	\$145,626
Median Household Income:	\$48,049

Quality of Life

Violent Crime rate (2008):	337 per 100,000 persons
County Rank* in California (58 counties):	20th
Average Commute Time to work (2009):	21.3 minutes

High School drop out rate (2008):	37.5%
Households at/below poverty line:	11.6%

* The county ranked 1st corresponds to the lowest rate in California